

this kind of liability. These are not wealthy people.

If we talk to people who run big companies, who want their health plans to be good so people are satisfied because they have to compete for good employees, what are they going to do when their costs start going up? I hope none of them drop their coverage. At least the cost of the coverage is going to have to go up. They are going to have to reduce the number of benefits. They are going to have to increase the number of employees. They are going to have to pass along costs to their employees, and they are going to have access to poorer quality health insurance.

That is unprecedented liability for employers. I just reviewed that. External review is useless. The Norwood-Dingell bill requires resort to external review in the event of a denial of a claim. Well, most of the actions I have just talked about do not involve denying a claim, so the external review that I talked about in the beginning that is the answer to the problem of accountability would not even be available. We cannot go to external review on the issue of whether a quality assurance plan was adequate or not.

Also, the bill permits people to avoid external review when there is injury suffered before the external review panel can meet. So if the heart condition gets worse in the week while you are waiting for external review, you can get around it and you can sue.

We ought not to be getting people out of external review. That is the right answer. We ought to be encouraging people to go into external review so that physicians are reviewing the decisions of physicians, not juries or courtrooms reviewing the decisions of physicians.

Finally, Mr. Speaker, the liability provisions in the Norwood-Dingell bill would apply to private sector employees, but would not apply to Federal employees. They would not apply to Congressmen. This is a liability provision which is supposedly good for people, but once again, Congress would exempt itself from the operation of this procedure.

Now, I have talked with some Members today. They indicated to me that, no, they thought well, maybe you could not sue if you were a Federal employee. Maybe today you could not sue the Federal Government, and right there you have a difference, because the Norwood-Dingell bill allows you to sue employers. Under current law, you cannot sue the Federal Government.

But they have told me, but you can at least sue the health care plan or the carrier with whom the Federal Government contracts. So they say, well, no, the Federal employees are excluded from the Norwood-Dingell bill. That is true, but that is because they can already sue their health plans or their health carriers.

Here is what title V, section 890 107(C) of the Federal regulations say with regard to actions by employees of the Federal Government.

It says, "A legal action to review final action by the OPM," the Office of Personnel Management, and you must go first to the Office of Personnel Management if you have a claim, "involving such denial of health benefits must be brought against OPM and not against the carrier or the carrier's subcontractors. The recovery in such a suit shall be limited to a court order directing OPM to require the carrier to pay the amount of benefits in dispute."

So under current law, which would not be changed by the Norwood-Dingell bill, Federal employees cannot sue their carriers, Federal employees cannot sue the Federal Government, but under this provision, employers, private employers, would be subject to actions.

Mr. Speaker, this does not have to be all or nothing at all. We do not have to go on with the current system, where people have rights, supposedly, under health care contracts, but no effective way of enforcing those rights. We can have accountability. We can do it through tightly-written, low-cost, easily accessible external review procedures where physicians are reviewing the decisions of other physicians. We can back that up with liability, in cases where the external review process is ignored or where it is fraudulent or where it is frustrated.

The least we need to do with the Norwood-Dingell bill is to make clear that liability against the employer is strictly limited to cases where the employer directly participated in the denial of benefits. We need to make clear that punitive damages are strictly limited or not allowed. We need to require exhaustion of external review.

We need to be certain that where we allow quality of care actions, we make clear in the law what quality of care is, so that people know what the law is and can set up their health care plans accordingly, and we do not have that judgment being made in State courts around the country.

The reason, again, is because all of this makes a difference to real people who are really confronted with illness and the threat of illness. There are too many people in the United States today, Mr. Speaker, who do not have health insurance, and most of them do not have health insurance because it costs too much. Every time we increase the cost of health insurance, it means more and more people are not covered. Patient protections do not help you if you do not have insurance.

We have the chance in the next couple of days to pass good bills to increase accessibility, to increase the availability of private health insurance to people who do not have it, good private health insurance to these employ-

ees of small employers. We have the chance to hold HMOs accountable to get people in treatment rooms where they ought to be, not at home ill and untreated, and not in courtrooms afterwards, after they become seriously ill.

We can do these things. We have that opportunity. I want to close by saying that I welcome the fact that the bills have come this far. There are many competing factions in this House, and it is because of the passion and the energy of those factions that we have a bill and we have the opportunity to vote on it.

I have been working intensively on this for 2 years. I have wanted to see this day come. I am glad we have this opportunity. But let us not do something that will hurt the very people that we are trying to help. Let us not punish the employers and the small employers in this country and their employees by driving up the cost of health insurance to them in a way that is not necessary to ensure the kind of accountability that we all seek in the health care system.

□ 2030

#### GENERAL LEAVE

Mr. GREEN of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of the special order by the gentleman from Iowa (Mr. BOSWELL).

The SPEAKER pro tempore (Mr. WELDON of Florida). Is there objection to the request of the gentleman from Texas?

There was no objection.

#### TEXAS' EXPERIENCE WITH MANAGED CARE REFORM: A MODEL FOR THE NATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. GREEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. Speaker, I want to thank you and also thank our minority leader for allowing me to have this second hour tonight and follow the gentleman from Missouri. Obviously, I agree with the gentleman from Missouri (Mr. TALENT) because Missouri has been the "Show Me State" all of my life, and for the next hour from Texas we are going to show him why he is wrong in his statements.

Mr. Speaker, I would like to first talk about that in the last 2 years in Texas we have had basically the same law that we are trying to pass here tomorrow and Thursday, and the examples offered by the gentleman from Missouri just do not hold water, at